Amendments to the Claims:

This listing of claims will replace all prior versions, and listings of claims in the application:

Listing of Claims:

1. (Currently amended) A system for managing reward reversals in connection with a loyalty program, comprising:

a computer comprising

control logic configured to receive information relating to a previously completed transaction that is to be reversed including a total value being returned and a total value of the previously completed transaction, the previously completed transaction being associated with an account linked to the loyalty program[[;]],

control logic configured to determine reversal information for the transaction to be reversed, wherein the reversal information determination includes

determining whether the total value of the previously completed transaction had earned any accumulated reward,

determining a new total transaction value to account for the total value being returned, and

determining if the new total transaction value earns any accumulated reward, and

control logic configured to use the reversal information to reverse the previously completed transaction and update the ~~associated~~ account.

2. (Currently amended) The system of claim 1 wherein the control logic configured to use the reversal information to reverse the previously completed transaction and update the ~~associated~~ account comprises:

control logic configured to use the reversal information to:

determine an amount to be adjusted; and

restore any reward that was redeemed as part of the previously completed transaction.

3. (Currently amended) The system of claim 1 wherein the control logic configured to use the reversal information to reverse the previously completed transaction and update the ~~associated~~ account comprises:

control logic configured to use the reversal information to adjust any accumulated reward that was earned as part of the previously completed transaction.

4. (Currently amended) ~~The system of claim 1 further comprising:~~

A system for managing reward reversals in connection with a loyalty program, comprising:

a computer comprising

control logic configured to receive information relating to a previously completed transaction that is to be reversed, the previously completed transaction being associated with an account linked to the loyalty program,

control logic configured to determine reversal information for the transaction to be reversed,

control logic configured to use the reversal information to reverse the previously completed transaction and update the account, and

control logic configured to determine whether the previously completed transaction that is to be reversed is eligible for reversal.

5. (Currently amended) The system of claim [[4]] 1 further comprising control logic configured to determine whether the previously completed transaction that is to be reversed is eligible for reversal, wherein the determination as to whether the previously completed transaction is eligible for reversal is made based on one or more rules governing the loyalty program.

6. (Currently amended) The system of claim 5 wherein the one or more rules governing the loyalty program includes a limit on number of times transactions can be reversed under the ~~associated~~ account.

7. (Original) The system of claim 5 wherein the one or more rules governing the loyalty program includes an expiration limit on when the previously completed transaction can be reversed.

8. (Original) The system of claim 5 wherein the one or more rules governing the loyalty program includes a policy provided by a sponsor of the loyalty program.

9. (Original) The system of claim 5 wherein the one or more rules governing the loyalty program includes an order of precedence with respect to handling of two or more rewards involved in the previously completed transaction.

10. (Original) The system of claim 4 wherein the previously completed transaction was conducted with a portable device; and

wherein the determination as to whether the previously completed transaction is eligible for reversal is made based on whether the portable device is presented for reversing the previously completed transaction.

11. (Currently amended) The system of claim 1 wherein the control logic configured to use the reversal information to reverse the previously completed transaction and update the ~~associated~~ account includes:

control logic configured to update a reversal activity log after the previously completed transaction has been reversed.

12. (Canceled).

13. (Currently amended) The system of claim 1 wherein ~~all control logic used in the system is distributed amongst a plurality of components including a~~ the computer is a point-of-sale device ~~and a portable device~~.

14. (Cancelled)

15. (Currently amended) A system for managing reward reversals in connection with a loyalty program, comprising:

a computer comprising

control logic configured to receive information relating to a previously completely transaction that is to be reversed including a total value being returned and a total value of the previously completed transaction, the previously completed transaction being associated with an account linked to the loyalty program[[;]],

control logic configured to determine whether the total value of the previously completed transaction had earned any accumulated reward,

control logic configured to determine a new total transaction value to account for the total value being returned,

control logic configured to determine if the new total transaction value earns any accumulated reward,

control logic configured to determine an amount to be adjusted in connection with the previously completed transaction that is to be reversed[[;]],

control logic configured to restore any reward that was redeemed as part of the previously completed transaction[[;]], and

control logic configured to adjust ~~any~~ the accumulated reward that was earned as part of the previously completed transaction.

16. (Currently amended) The system of claim 15 wherein the computer further ~~comprising~~ comprises:

control logic configured to update the ~~associated~~ account with information relating to any restored reward or adjusted accumulated reward.

17. (Currently amended) The system of claim 15 wherein the computer further ~~comprising~~ comprises:

control logic configured to determine whether the previously completed transaction that is to be reversed is eligible for reversal.

18. (Original) The system of claim 17 wherein the determination as to whether the previously completed transaction is eligible for reversal is made based on one or more rules governing the loyalty program.

19. (Currently amended) The system of claim 18 wherein the one or more rules governing the loyalty program includes a limit on number of times transactions can be reversed under the ~~associated~~ account.

20. (Original) The system of claim 18 wherein the one or more rules governing the loyalty program includes an expiration limit on when the previously completed transaction can be reversed.

21. (Original) The system of claim 18 wherein the one or more rules governing the loyalty program includes a policy provided by a sponsor of the loyalty program.

22. (Original) The system of claim 18 wherein the one or more rules governing the loyalty program includes an order of precedence with respect to handling of two or more rewards involved in the previously completed transaction.

23. (Original) The system of claim 17 wherein the previously completed transaction was conducted with a portable device; and

wherein the determination as to whether the previously completed transaction is eligible for reversal is made based on whether the portable device is presented for reversing the previously completed transaction.

24. (Currently amended) The system of claim 15 wherein the computer further ~~comprising~~ comprises:

control logic configured to update a reversal activity log after the previously completed transaction has been reversed.

25. (Canceled).

26. (Currently amended) The system of claim 15 wherein ~~control logic used in the system is distributed amongst a plurality of components including a~~ the computer is a point-of-sale device ~~and a portable device~~.

27. (Cancelled)

28. (Currently amended) A method for managing reward reversals in connection with a loyalty program, comprising:

receiving information at a computer relating to a previously completed transaction that is to be reversed including a total value being returned and a total value of the previously completed transaction, the previously completed transaction being associated with an account linked to the loyalty program;

using the computer to determine ~~determining~~ reversal information for the transaction to be reversed, wherein the reversal information determination includes

determining whether the total value of the transaction had earned any accumulated reward,

determining a new total transaction value to account for the total value being returned, and

determining if the new total transaction value earns any accumulated reward; and

using the reversal information and the computer to reverse the previously completed transaction and update the ~~associated~~ account.

29. (Currently amended) The method of claim 28 wherein using the reversal information and the computer to reverse the previously completed transaction and update the ~~associated~~ account comprises:

determining an amount to be adjusted; and

restoring any reward that was redeemed as part of the previously completed transaction.

30. (Currently amended) The method of claim 28 wherein using the reversal information and the computer to reverse the previously completed transaction and update the ~~associated~~ account comprises:

adjusting any accumulated reward that was earned as part of the previously completed transaction.

31. (Currently amended) The method of claim 28 further comprising:

~~determining~~ using the computer to determine whether the previously completed transaction that is to be reversed is eligible for reversal.

32. (Original) The method of claim 31 wherein the determination as to whether the previously completed transaction is eligible for reversal is made based on one or more rules governing the loyalty program.

33. (Original) The method of claim 32 wherein the one or more rules governing the loyalty program includes a limit on number of times transactions can be reversed under the ~~associated~~ account.

34. (Original) The method of claim 32 wherein the one or more rules governing the loyalty program includes an expiration limit on when the previously completed transaction can be reversed.

35. (Original) The method of claim 32 wherein the one or more rules governing the loyalty program includes a policy provided by a sponsor of the loyalty program.

36. (Original) The method of claim 32 wherein the one or more rules governing the loyalty program includes an order of precedence with respect to handling of two or more rewards involved in the previously completed transaction.

37. (Original) The method of claim 31 wherein the previously completed transaction was conducted with a portable device; and

wherein the determination as to whether the previously completed transaction is eligible for reversal is made based on whether the portable device is presented for reversing the previously completed transaction.

38. (Currently amended) The method of claim 28 wherein using the reversal information and the computer to reverse the previously completed transaction and update the ~~associated~~ account includes:

updating a reversal activity log after the previously completed transaction has been reversed.

39. (Canceled).

40. (Currently amended) A point-of-sale device ~~utilizing the method as recited in claim 28~~ configured to use a method for managing reward reversals in connection with a loyalty program, the method comprising:

receiving information at a computer relating to a previously completed transaction that is to be reversed including a total value being returned and a total value of the previously completed transaction, the previously completed transaction being associated with an account linked to the loyalty program;

using the computer to determine reversal information for the transaction to be reversed, wherein the reversal information determination includes

determining whether the total value of the transaction had accumulated rewards,

determining a new total transaction value to account for the total value being returned, and

determining if the new total transaction value accumulates rewards; and

using the reversal information and the computer to reverse the previously completed transaction and update the account.

41. (New) The system of claim 1 further comprising:

control logic in the computer configured to determine whether the account has a negative reward value.

42. (New) The system of claim 1, wherein the computer further comprises:

control logic configured to create an escrow account upon the reversal of the previously completed transaction; and

control logic configured to clear the escrow account upon one or more transactions completed after the reversal.

43. (New) The method of claim 28, wherein a coupon has been provided to a portable device associated with the account, wherein the coupon is configured to be redeemed during a subsequent transaction, the method further comprising:

removing the coupon from the portable device.